Historic, Archive Document

Do not assume content reflects current
scientific knowledge, policies, or practices.

A280.3449
C39
Reserve

MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE MARKETING AREA

Volume 10 April 1966 Number 9

Released Pursuant to §1090.27(j) and §1090.85, USDA-C&MS
Federal Order No. 90, 5916 Brainerd Road, Chattanooga, Tennessee 37411
J. B. McCroskey, Market Administrator

JUN 22 1966

ORDER AMENDED

The U. S. Department of Agriculture held a regional hearing in St. Louis, Missouri, on March 9, 1966 regarding 35 markets, including Chattanooga. An Order amending the Chattanooga Order was signed to be effective April 10, 1966. The amendment provided that for the months of May and June 1966 the Class I price shall not be less than the April 1966 Class I price.

MARKET SUMMARY - APRIL 1966

The Order MINIMUM uniform producer prices per cwt. f.o.b. pool plants for milk testing 3.5% are: Base Milk $5.06, Excess Milk $3.00. The butterfat differential is 7.8 cents for each one-tenth of one percent above or below 3.5%.

During April 76.1% of the total producer milk was priced in Class I at $5.45 per cwt. with a butterfat differential of 8.2 cents and 23.9% priced in Class II at $3.04 per cwt. with a butterfat differential of 7.2 cents. The daily average use of Gross Class I increased 0.4% compared with March 1966 and increased 6.3% compared with April 1965.

The daily average producer deliveries was 686,157 pounds in April 1966, an increase of 48,809 pounds per day compared with March 1966 and an increase of 44,150 pounds compared with April 1965. Percentage-wise, April deliveries increased 7.7% compared with March 1966 and increased 6.9% compared with April 1965. Base milk was 90.0% and excess milk was 10.0% of the total producer deliveries. All excess milk and 15.4% of base milk was priced in Class II at $3.04 per cwt. and 84.6% of base milk was priced in Class I at $5.45 per cwt.

LABORATORY ACTIVITIES - Producer Fresh Milk Tests 5,773 - Handler Products 240.

APRIL 1966 TOTAL CLASS I UNIT SALES BY 8 POOL AND 3 NON-POOL PLANTS 1/

	GALS.	½ GALS.	QUARTS	PINTS	½ PINTS	PRODUCT LBS.	%-TOTAL
Homo & Std. Milk	714,362 3/	887,506	262,414	558,492	3,134,218	12,809,001	82.20
Special Skim	28,373	19,757	-	-	-	329,728	2.12
Regular Skim	-	93,463	61,855	-	13,013	543,763	3.49
Buttermilk	To ½ Gal. 2/	230,086	151,158	40,873	34,345	1,381,563	8.87
Flavored Milk & Drink	To ½ Gal. 2/	5,955	48,086	203,435	177,408	421,919	2.71
Half & Half	-	-	4,419	36,124	-	48,054	.30
Coffee Cream (X)	-	-	2,143	-	To Qts. 2/	4,547	.03
Whip Cream (XX)	To Qts. 2/	-	2,191	-	31,144	20,862	.13
Sour Cream	618	-	-	-	34,355	23,438	.15
					Total Pounds	15,582,875	100.00

1/ Includes all unit sales by pool plants and sales "In Area" by non-pool plants.
2/ Restricted; distributed by less than 3 handlers.
3/ Includes Glass, Paper, Plastic, and Dispenser gallons and Twin-Pak ½ gallons.

COMPARISON OF GROSS MILK RECEIPTS AND UTILIZATION

	% Apr.'66 Over Apr.'65	Apr. 1966	Mar. 1966	Apr. 1965
Number of Plants (Pool and Non-Pool)		11	11	12
GROSS RECEIPTS POUNDS (DAILY AVERAGE)				
Producer Milk - Base	+ 8.5	617,814	600,154	569,531
- Excess	- 5.7	68,343	37,194	72,476
- Total	+ 6.9	686,157	637,348	642,007
Other Source	+ 0.7	20,215	24,219	20,077
Other Federal Orders	-42.8	20,501	9,519	35,843
Total Milk Receipts	+ 4.1	726,873	671,086	697,927
GROSS UTILIZATION POUNDS (DAILY AVERAGE)				
Class I Uses:				
Fluid Milk	+ 2.6	426,967	421,697	415,998
Fluid Skim	+39.5	29,116	28,278	20,870
Buttermilk	+ 4.7	46,052	42,999	43,993
Flavored Milk and Drink	+20.0	14,064	13,557	11,720
Fluid Cream (Sweet and Sour)	+16.1	3,230	3,104	2,781
Other (Shrinkage, Inventory, etc.)		1,850	973	608
Transfers to Non-Pool Plants		7,551	16,239	1,305
Total Class I Milk	+ 6.3	528,830	526,847	497,275
Class II Uses:				
Ice Cream Mixes		46,553	48,225	51,271
Cottage Cheese		31,883	29,288	21,930
Powdered and Condensed Milk		86,332	33,206	90,070
Livestock Feed and Skim Dumped		6,891	6,479	6,320
Shrinkage Class II		9,401	10,488	9,880
Other (Butter, Inventory, etc.)		(8,010)	5,327	(9,522)
Transfers to Non-Pool Plants		24,993	11,226	30,703
Total Class II Milk	- 1.3	198,043	144,239	200,652
Class I Pounds in Marketing Area	+ 1.8	315,464	312,007	309,784
Class I Pounds Outside Marketing Area	+13.8	213,366	214,840	187,491
% Producer Milk of Gross Class I		129.8	121.0	129.1
% Producer Milk priced in Class I		76.1	81.2	75.8

MAY 1966 CLASS I MINIMUM PRICE COMPUTATION INCLUDING SUPPLY-DEMAND ADJUSTMENT

	May'66	Apr.'66	May'65
Per §1090.51(a)			
Basic Formula Price	$3.64	$3.68	$3.23
Plus Class I Differential	1.75	1.75	1.75
Supply-Demand Adjustment	0.00	0.02	0.00
CLASS I PRICE, 3.5% BUTTERFAT	$5.45 1/	$5.45	$4.98

Supply-Demand Comparison: 1st and 2nd preceding months: March and April	
Supply: Lbs. Producer Milk (Mar. 19,757,780 and Apr. 20,584,717)	40,342,497
Demand: Lbs. Net Class I Milk (Mar. 16,232,314 and Apr. 15,744,792)	31,977,106
Utilization Percentage: Producer milk divided by Class I	126
Standard Utilization Percentage: Range 124-128	126
Net Deviation Percentage: Utilization minus Standard Utilization	-0-
Supply-Demand Adjustment: 2 cents x 0 percentage points	$0.00

The price is not adjusted by the supply-demand formula, since the supply in relation to the demand is within the standard utilization range of 124-128.

1/ Order amendment provides - May Cl. I price shall not be less than Apr.'66 price.

COMPUTATION OF PRODUCER UNIFORM BASE AND EXCESS PRICES AND WEIGHTED AVERAGE PRICE

APRIL 1966	Class %	Milk Pounds	Butterfat Test - %	Cwt.Price @ Test	Gross Value
Gross Class I		15,864,888	3.518		
Less Other Source		193,177	2.510		
Producer Milk Class I	76.1	15,671,711	3.530553	$5.475053	$ 858,034.48
Gross Class II		5,941,302	4.703		
Less Other Source		1,028,296	2.310		
Producer Milk Class II	23.9	4,913,006	5.203657	4.266633	209,619.94
TOTAL PRODUCER MILK (Cl.I + Cl.II)	100.0	20,584,717	3.929877		$1,067,654.42
Less Fractional Adjustment					.02
Add Value of Overage					10.95
Add Value of Inventory Reclassified					79.04
Add Value of Other Source Receipts Allocated to Class I and Location Adj.		73,081			2,971.99
Add ½ Producer-Settlement Fund Reserve					8,785.28
TOTAL VALUE AT TEST		20,657,798	3.922388	$5.225638	$1,079,501.66
Less Test over 3.5% @ 7.8¢ per point		20,657,798	0.422388	.329463	68,059.80
TOTAL UTILIZATION VALUE AT 3.5%		20,657,798	3.5	4.896175	$1,011,441.86
Less Reserve Per §1090.71(f)		20,657,798		.046175	
WEIGHTED AVERAGE PRICE - 3.5% TEST		20,657,798	3.5	$4.85	
Less FMP from Unregulated Supply Plants Allocated to Class I @ Wt. Av. Price		73,081	3.5	$4.85	3,544.43
TOTAL PRODUCER MILK VALUE @ 3.5% TEST		20,584,717	3.5		$1,007,897.43
		Pounds	Price	Amount	
Excess Producer Milk Used in Class I		-	-	-	
Excess Producer Milk Used in Class II		2,050,278	$3.04	$62,328.45	
Total Value of Excess Milk		2,050,278	3.04	62,328.45	
Less Prod.-Settlement Fund Reserve @ 4¢		2,050,278	.04		820.11
UNIFORM EXCESS PRICE - 3.5% TEST		2,050,278	$3.00		$ 61,508.34
Total Value of Base Milk		18,534,439	5.101687		945,568.98
Less Producer-Settlement Fund Reserve		18,534,439	.041687		7,726.45
UNIFORM BASE PRICE - 3.5% TEST		18,534,439	$5.06		$ 937,842.53

APRIL 1966 MINIMUM PRODUCER PRICES CWT. F.O.B. CHATTANOOGA POOL PLANT BUTTERFAT DIFFERENTIAL 7.8¢ PER POINT (EXCLUDES PREMIUMS)

TEST	PRICES		TEST	PRICES		TEST	PRICES	
%	BASE	EXCESS	%	BASE	EXCESS	%	BASE	EXCESS
3.0	$4.67	$2.61	4.0	$5.45	$3.39	5.0	$6.23	$4.17
3.05	4.709	2.649	4.05	5.489	3.429	5.05	6.269	4.209
3.1	4.748	2.688	4.1	5.528	3.468	5.1	6.308	4.248
3.15	4.787	2.727	4.15	5.567	3.507	5.15	6.347	4.287
3.2	4.826	2.766	4.2	5.606	3.546	5.2	6.386	4.326
3.25	4.865	2.805	4.25	5.645	3.585	5.25	6.425	4.365
3.3	4.904	2.844	4.3	5.684	3.624	5.3	6.464	4.404
3.35	4.943	2.883	4.35	5.723	3.663	5.35	6.503	4.443
3.4	4.982	2.922	4.4	5.762	3.702	5.4	6.542	4.482
3.45	5.021	2.961	4.45	5.801	3.741	5.45	6.581	4.521
3.5	5.06	3.00	4.5	5.84	3.78	5.5	6.62	4.56
3.55	5.099	3.039	4.55	5.879	3.819	5.55	6.659	4.599
3.6	5.138	3.078	4.6	5.918	3.858	5.6	6.698	4.638
3.65	5.177	3.117	4.65	5.957	3.897	5.65	6.737	4.677
3.7	5.216	3.156	4.7	5.996	3.936	5.7	6.776	4.716
3.75	5.255	3.195	4.75	6.035	3.975	5.75	6.815	4.755
3.8	5.294	3.234	4.8	6.074	4.014	5.8	6.854	4.794
3.85	5.333	3.273	4.85	6.113	4.053	5.85	6.893	4.833
3.9	5.372	3.312	4.9	6.152	4.092	5.9	6.932	4.872
3.95	5.411	3.351	4.95	6.191	4.131	5.95	6.971	4.911

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT MILK)

Date	PRODUCER UNIFORM PRICES 1/ Per Hundredweight				HANDLER CLASS PRICES 1/			
					Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Apr.'65	$4.41 2/	$4.63	$2.69	7.2¢	$4.97	7.5¢	$2.73	6.8¢
May	4.35 2/	4.57	2.64	7.4	4.98	7.7	2.68	6.8
June	4.34 2/	4.54	2.62	7.4	5.01	7.7	2.66	6.8
July	4.40 2/	4.62	2.62	7.4	4.95	7.7	2.66	6.8
Aug.	4.39	-	-	7.4	4.96	7.7	2.65	7.0
Sept.	4.58	-	-	7.8	4.82	7.9	3.30	7.2
Oct.	4.63	-	-	7.8	4.88	8.1	3.33	7.2
Nov.	4.85	-	-	8.0	5.09	8.2	3.35	7.3
Dec.	4.73	-	-	8.0	5.14	8.2	3.36	7.3
Jan.'66	4.82	-	-	7.8	5.22	8.2	3.22	6.8
Feb.	4.87	-	-	7.6	5.18	7.7	3.01	7.1
Mar.	4.89 2/	5.00	3.04	7.8	5.33	8.0	3.08	7.3
Apr.	4.85 2/	5.06	3.00	7.8	5.45	8.2	3.04	7.2
May	-	-	-	-	5.45	8.2	-	-

PRICES USED IN DETERMINING CLASS PRICES AND BUTTERFAT DIFFERENTIALS

Date	CLASS II ALTERNATIVE FORMULAS $-cwt-3.5%		PRICE QUOTATIONS			BASIC FORMULA
	4 Tenn. Milk Mfg.	Butter Powder	4 Tenn. Milk Mfg. $-cwt-4%	Chi.92° Butter ¢ Lb.	Chi.Area Powder ¢ Lb.	Minn.-Wisc. Mfg.Grade Milk $-cwt-3.5%
Apr.'65	2.73	3.17	3.069	58.97	14.22	3.23
May	2.68	3.17	3.025	58.97	14.28	3.22
June	2.66	3.17	3.000	58.97	14.21	3.20
July	2.66	3.17	3.000	59.00	14.24	3.21
Aug.	2.65	3.25	3.000	61.03	14.31	3.25
Sept.	2.72	3.30	3.081	62.22	14.21	3.29
Oct.	2.75	3.33	3.106	62.89	14.31	3.34
Nov.	2.83	3.35	3.194	63.27	14.42	3.39
Dec.	2.90	3.36	3.269	63.45	14.31	3.47
Jan.'66	3.01	3.22	3.350	59.33	14.54	3.47
Feb.	3.01	3.32	3.363	61.80	14.59	3.58
Mar.	3.08	3.39	3.450	63.40	14.81	3.68
Apr.	3.04	3.48	3.40	62.80	16.02	3.64

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK 3/			PRODUCER DATA 3/				Deliveries Per Farm----Pounds			Prod. Milk Test
	No. Hdlrs.	Total Receipt	Class I Use	Class I Use	Total Delivery	Base Delivery	No. Prod.	Prod.	Base	Exc.	
Apr.'65	12	697,927	497,275	486,698	642,007	569,531	667	963	854	109	4.02
May	12	692,923	474,496	464,947	634,015	559,591	668	949	838	111	3.92
June	12	666,977	448,404	435,985	604,907	541,251	665	910	814	96	3.91
July	11	645,694	472,016	459,130	595,853	531,033	663	899	801	98	3.89
Aug.	11	656,906	474,674	463,031	611,907	-	661	926	-	-	3.87
Sept.	11	693,671	572,696	560,352	655,522	-	661	992	-	-	3.93
Oct.	11	673,905	561,613	553,950	646,998	-	660	980	-	-	4.14
Nov.	11	661,931	567,822	562,847	637,400	-	667	956	-	-	4.20
Dec.	11	660,110	507,814	502,279	635,256	-	666	954	-	-	4.23
Jan.'66	11	662,874	531,241	526,225	634,748	-	664	956	-	-	4.20
Feb.	11	648,797	546,032	534,700	616,699	-	663	930	-	-	4.22
Mar.	11	671,086	526,847	517,608	637,348	600,154	660	966	909	57	4.06
Apr.	11	726,873	528,830	522,390	686,157	617,814	653	1,051	946	105	3.93

1/ Excludes Premiums

2/ Weighted Average Price

3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I

Batch: NAL16_0015b

SER72912387_117

Milk market information bulletin

A280.3449 C39

v.10:no.9 (1966:Apr.)

1966

SER72912387117

APRIL2013

LEFT
24ColorCard CameraTrax.com
APRIL2013